Foreign manpower: Making the global talent approach work for Singapore

Creating opportunities for Singaporeans, boosting their job and social protection, and making foreigners feel welcome will go towards making Singapore a successful global city.

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For The Straits Times

Much has been said in Parliament and the media over the past week about foreign competition for jobs. Two things are clear from this important debate: First, Singapore must continue to welcome global talent if it is to remain a successful city that creates good opportunities for its people. Second, a significant number of Singaporeans continue to feel deep anxiety about foreign competition for jobs. The upshot is that there is a need to find effective ways to reassure citizens and ensure that the global talent approach works well for Singapore now and into the future.

As many recognise, remaining open to global talent is necessary for Singapore to stay attractive to businesses and foreign investment, which in turn provides good jobs for Singaporeans. Furthermore, the capabilities of the local workforce, while always being enhanced by additional manpower and skills that must be plugged by the foreign workforce. Multinational also value being able to choose among the best talent worldwide for key roles. The breadth and depth of economic activities made possible by an open economy give Singaporeans more opportunities in aggregate. But this macro perspective, as Chua Hui Houn pointed out, is the most worrisome fail in Singapore’s ST Sept 15, not enough to reassure Singaporeans whose livelihoods are in competition with foreigners for jobs and promotions.

Rightly or wrongly, not all Employment Pass (EP) holders are clearly better qualified than locals for the jobs Singaporeans have complained of foreign bosses and recruiters favoring their compatriots over locals. The government has acknowledged citizens’ angst. At the National Day Rally, Prime Minister Lee Hsien Loong said that anti-discrimination laws would be introduced to give the national fair employment watchdog, the Tripartite Cluster, more teeth to act against errant employers. This is a significant step in affirming the government’s resolve to address unfair employment practices, but it is not a panacea. Discrimination is often hard to establish, as assessing job suitability is subjective.

More importantly, the government has been tightening the inflow of EP holders by raising the minimum salary requirements — twice last year — with a higher bar for those in the financial services sector. The Progress Singapore Party has suggested imposing an even higher minimum salary as well. The government is clearly aware of the need to control the flow of EP holders.

The Singapore government should consider partnerships with international companies that have a strong commitment to social responsibility, and make living and working conditions in Singapore attractive to EP holders. The government should also offer more training and development opportunities to EP holders, and consider a levy for EP holders to help fund skills development programs. This will help reduce the number of EP holders, thus alleviating the concern of Singaporean workers.

The government is also planning to introduce anti-discrimination laws to address unfair employment practices. This is a step in the right direction, but more needs to be done to ensure that Singapore remains open to global talent.

Strengthening job and social protection

Active enforcement against nationality discrimination at the workplace will also help to reduce the number of EP holders. The government should also consider introducing a minimum salary requirement for EP holders, which will help to reduce the number of EP holders who are paid less than the local minimum wage.

Creating opportunities for career progression

Singapore has invested considerably in equipping local workers with skills in order to compete for good jobs. Singapore has also made significant progress in improving living and working conditions for EP holders. The government should continue to invest in skills development and training programs for local workers. This will help to lower the number of EP holders and make the local workforce more attractive to employers.

Concluding remarks

In conclusion, Singapore should remain open to global talent and continue to work towards creating good opportunities for all citizens. By doing so, we can ensure that Singapore remains a successful global city that creates good opportunities for all its citizens.

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